Article - Estates and Trusts

§13–501.

(a)   (1)   Any person, including but not limited to a personal representative or trustee, who is under a duty to pay or deliver money or tangible personal property to a minor may perform the duty by paying or delivering the money or chattel to the guardian of the minor.

(2)   If there is no guardian, or if the guardian is unknown, payment or delivery in amounts or values not exceeding $5,000 per annum may be made to the parent or grandparent of the minor with whom the minor resides.

(3)   If there is no guardian, parent, or grandparent with whom the minor resides, payment or delivery in amounts or values not exceeding $5,000 per annum may be made to a parent or other person standing in loco parentis with the minor, or deposited in a financial institution described in § 13–301(h) of this title.

(4)   The payor is not under a duty to inquire whether the minor has a guardian.

(b)   (1)   A deposit in a financial institution shall be in the sole name of the minor.

(2)   The minor may not withdraw any funds:

(i)   Without an order of court; or

(ii)   Until the minor attains majority.

(c)   (1)   Other than the minor or a financial institution, a person receiving money or property for a minor shall apply the money to the support and education of the minor.

(2)   A person receiving money or property for a minor may not pay himself or herself except for reimbursement for out–of–pocket expenses for goods and services furnished by others which are necessary for the support of the minor.

(3)   Any excess sums shall be preserved for future support of the minor, and any balance not so used and any tangible chattels received for the minor shall be turned over to the minor when the minor attains majority.

(d)   (1)   If a person owes money or property to a minor and pays or delivers it in accordance with this section, the person is not responsible for the proper application of the money or property.

(2)   A release for any distribution signed by the distributee is a valid release.